

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION**

SOFIA DRM, LLC,)	
Plaintiff,)	
)	Civil Action No. 6:21-cv-01036
v.)	
)	
HALLMARK CARDS, INC.;)	
HALLMARK LICENSING, LLC;)	
AND, AMY’S HALLMARK SHOP,)	
Defendant.)	JURY TRIAL DEMANDED
)	

PLAINTIFF’S ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

Sofia DRM, LLC (“Sofia”) files this Original Complaint and demand for jury trial seeking relief from patent infringement of the claims of US9,959,396 (“the ‘396 patent”) (referred to as the “Patent-in-Suit”) by Hallmark Cards, Inc., Hallmark Licensing LLC and Amy’s Hallmark Shop (collectively referred to as “Defendants”).

I. THE PARTIES

1. Plaintiff Sofia is a New Mexico Limited Liability Company with its principal place of business located in Albuquerque, New Mexico.

2. On information and belief, Hallmark Cards, Inc. is a company organized and existing under the laws of Delaware, having its principal place of business at 2501 McGee Street, Kansas City, MO 64108-2615. Hallmark Cards, Inc. can be served through its registered agent CT Corporation Systems, 120120 South Central Avenue, #400, St. Louis, MO 63105.

3. On information and belief, Hallmark Licensing, LLC. is a limited liability company organized and existing under the laws of Missouri, having its principal place of business at 2501

McGee Street, Kansas City, MO 64108-2615. Hallmark Licensing, LLC can be served at its place of business or anywhere else it may be found.

4. On information and belief, Amy's Hallmark Shop is a company organized and existing under the laws of Texas, having its principal place of business at 6001 W Waco Dr Ste 320, Waco, TX 76710-6302. Amy's Hallmark Shop can be served at its place of business or anywhere else it may be found.

5. Defendants have a regular and established place of business located at 6001 W Waco Dr Ste 320, Waco, TX 76710-6302. On information and belief, Defendants sells and offers to sell products and services throughout Texas, including in this judicial district, and introduces products and services that perform infringing methods or processes into the stream of commerce knowing that they would be sold in Texas and this judicial district.

II. JURISDICTION AND VENUE

6. This Court has original subject-matter jurisdiction over the entire action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because Plaintiff's claim arises under an Act of Congress relating to patents, namely, 35 U.S.C. § 271.

7. This Court has personal jurisdiction over Defendants because: (i) Defendants are present within or has minimum contacts within the State of Texas and this judicial district; (ii) Defendants have purposefully availed itself of the privileges of conducting business in the State of Texas and in this judicial district; and (iii) Plaintiff's cause of action arises directly from Defendants' business contacts and other activities in the State of Texas and in this judicial district.

8. Venue is proper in this district under 28 U.S.C. §§ 1391(b) and 1400(b). Defendants have committed acts of infringement and has a regular and established place of business in this District.

Further, venue is proper because Defendants conduct substantial business in this forum, directly or through intermediaries, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct and/or deriving substantial revenue from goods and services provided to individuals in Texas and this District.

III. INFRINGEMENT

A. Infringement of the ‘396 Patent

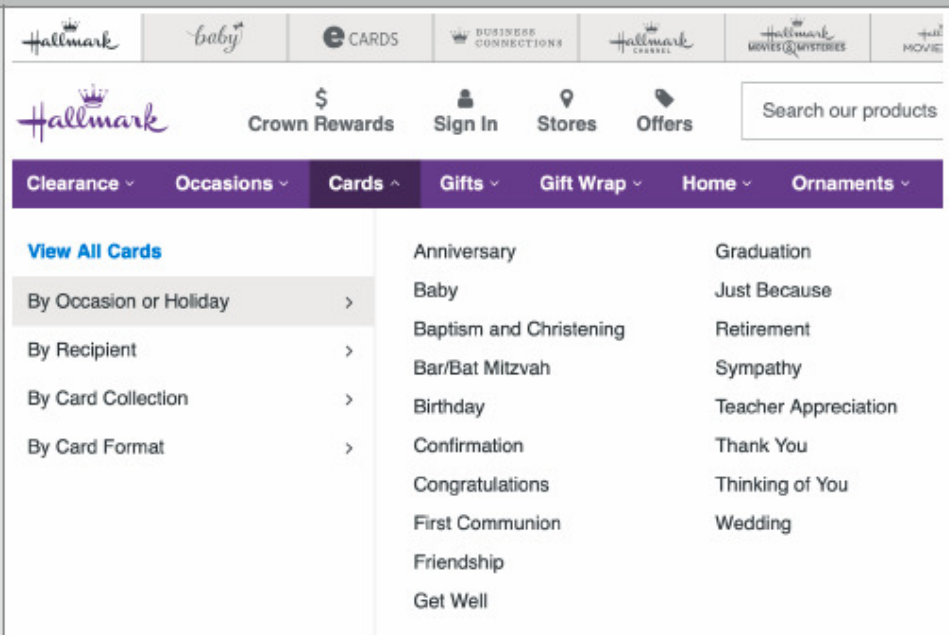
9. On May 1, 2018, U.S. Patent No. 9,959,396 (“the ‘396 patent” (included as an attachment, the contents of which are fully incorporated by reference)) entitled “SYSTEM AND METHODS FOR OBTAINING DIGITAL MULTIMEDIA FILES FROM A SERVER BASED ON OPTICALLY SCANNED DIGITAL RIGHTS MANAGEMENT INFORMATION TAG IMPRINTED ON A STORE PURCHASED COMPACT MULTIMEDIA DISK” was duly and legally issued by the U.S. Patent and Trademark Office. Sofia owns the ‘396 patent by assignment.

10. The ‘396 patent relates to a novel and improved systems and methods for obtaining digital multimedia files from a server based on optically scanned digital rights management information tag imprinted on physical media.

11. Defendants maintain, operate, manufacture, sell, offer for sale, and import systems and methods, including but not limited to gift cards that infringe one or more claims of the ‘396 patent, including one or more of claims 1-4, literally or under the doctrine of equivalents. Defendants put the inventions claimed by the ‘396 Patent into service (i.e., used them); but for Defendants’ actions, the claimed-inventions embodiments involving Defendants’ products and services would never have been put into service. Defendants’ acts complained of herein caused those claimed-invention

embodiments as a whole to perform, and Defendants' procurement of monetary and commercial benefit from it.

12. Support for the allegations of infringement may be found in the following preliminary table:

US9959396 B2	Hallmark Cards
<p>1. A method for digital rights management, comprising:</p>	 <p>© 2019 Hallmark Licensing, LLC. https://explore.hallmark.com/gift-cards/ Hallmark Cards has a method for digital rights management. The reference includes subject matter disclosed by the claims of the patent after the priority date.</p>

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Hallmark Cards

providing a store purchased greeting card including an indicia containing a code printed thereon to a purchaser for presentation as a gift to a greeting card recipient, wherein the purchaser accesses a remote server using the code represented by the indicia to customize an arrangement of media to present as a gift to a gift recipient to use with a client device associated with the gift recipient for scanning the code imprinted on the store purchased greeting card to retrieve the media arranged by the purchaser and render the media on the client device;



<https://www.hallmark.com/cards/boxed-cards/happy-jolly-photovideo-qr-code-personalized-christmas-cards-box-of-12-1199XPX3676.html>

The reference describes providing a store purchased greeting card including an indicia containing a code printed thereon to a purchaser for presentation as a gift to a greeting card recipient.

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<p>providing a store purchased greeting card including an indicia containing a code printed thereon to a purchaser for presentation as a gift to a greeting card recipient, wherein the purchaser accesses a remote server using the code represented by the indicia to customize an arrangement of media to present as a gift to a gift recipient to use with a client device associated with the gift recipient for scanning the code imprinted on the store purchased greeting card to retrieve the media arranged by the purchaser and render the media on the client device;</p>	<p>Product Details</p> <p>Take your holiday photo cards or annual Christmas newsletter to the next level with our new personalized Christmas greeting cards. <u>Each card contains a scannable link to your customized video and photo slideshow set to an instrumental version of the song of "Jingle Bells." It's a one-a-kind, interactive holiday greeting that can only come from you!</u></p> <p>https://www.hallmark.com/cards/boxed-cards/happy-jolly-photovideo-qr-code-personalized-christmas-cards-box-of-12-1199XPX3676.html</p> <p>The reference states that the purchaser accesses a remote server using the code represented by the indicia to customize an arrangement of media to present as a gift to a gift recipient to use with a client device associated with the gift recipient for scanning the code imprinted on the store purchased greeting card to retrieve the media arranged by the purchaser and render the media on the client device [Each card contains a scannable link to your customized video and photo slideshow set to an instrumental version of the song of "Jingle Bells." It's a one-a-kind, interactive holiday greeting that can only come from you!].</p>

US9959396 B2	Hallmark Cards
<p>receiving the code over a data network from the client device at a remote server for retrieval of the media arranged by the purchaser and identified by the code if the code authorizes multimedia file retrieval from the remote server by the client device; and</p> <p>retrieving the media arranged by the purchaser and identified by the code from the remote server with the client device following authorization of multimedia file retrieval by the remote server based on the code and transmitting the multimedia files for rendering of the gift by the gift recipient on the client device.</p>	<ul style="list-style-type: none"> • Easy to create: Download the free Moovin app. <u>Scan the QR code on the inside of one of the cards to activate all the cards in the box.</u> Follow the easy steps in the app to create your own custom video message or photo slideshow. • Share more merry: Upload a year-in-review of favorite photos, create a video of your family's seasonal traditions, record a special message with holiday wishes from everyone or make your own custom holiday content (up to 60 seconds long). Refer to packaging instructions to share the same video or slideshow on more than one box of cards. • A joy to watch: <u>The recipient simply scans the QR code inside the card with the camera on their smart device to activate and enjoy your personalized holiday message—no app needed!</u> • Android and iPhone compatible. • Holiday boxed cards feature a fun confetti lettering design with shiny silver foil accents. • Cover message: Happy Jolly Merry; inside message: Wishing you all kinds of cheer. • Includes 12 cards and 12 envelopes. • Box size: 4" W x 5.5" H x 1" D <p>https://www.hallmark.com/cards/boxed-cards/happy-jolly-photovideo-qr-code-personalized-christmas-cards-box-of-12-1199XPX3676.html</p> <p>The reference describes receiving the code over a data network from the client device at a remote server for retrieval of the media arranged by the purchaser and identified by the code if the code authorizes multimedia file retrieval from the remote server by the client device [Scan the QR code on the inside of one of the cards to activate all the cards in the box].</p> <p>The reference describes retrieving the media arranged by the purchaser and identified by the code from the remote server with the client device following authorization of multimedia file retrieval by the remote server based on the code and transmitting the multimedia files for rendering of the gift by the gift recipient on the client device [The recipient simply scans the QR code inside the card with the camera on their smart device to activate and enjoy your personalized holiday message].</p>

These allegations of infringement are preliminary and are therefore subject to change.

13. Defendants have and continue to induce infringement. Defendants have actively encouraged or instructed others (e.g., its customers and/or the customers of its related companies), and continues to do so, on how to use its products and services (e.g., digital right management) such as to cause infringement of one or more of claims 1–4 of the ‘396 patent, literally or under the doctrine of equivalents. Moreover, Defendants have known of the ‘396 patent and the technology underlying it from at least the date of the filing of the lawsuit.

14. Defendants have and continue to contributorily infringe. Defendants have actively encouraged or instructed others (e.g., its customers and/or the customers of its related companies), and continues to do so, on how to use its products and services (e.g., digital right management) and related services such as to cause infringement of one or more of claims 1–4 of the ‘396 patent, literally or under the doctrine of equivalents. Moreover, Defendants have known of the ‘396 patent and the technology underlying it from at least the date of the filing of the lawsuit.

15. Defendants have caused and will continue to cause Sofia damage by direct and indirect infringement of (including inducing infringement of) the claims of the ‘396 patent.

IV. JURY DEMAND

Sofia hereby requests a trial by jury on issues so triable by right.

V. PRAYER FOR RELIEF

WHEREFORE, MESA prays for relief as follows:

- a. enter judgment that Defendants have infringed the claims of the ‘396 patent;

- b. award Sofia damages in an amount sufficient to compensate it for Defendants' infringement of the '396 patent in an amount no less than a reasonable royalty or lost profits, together with pre-judgment and post-judgment interest and costs under 35 U.S.C. § 284;
- c. award Sofia an accounting for acts of infringement not presented at trial and an award by the Court of additional damage for any such acts of infringement;
- d. declare this case to be "exceptional" under 35 U.S.C. § 285 and award Sofia its attorneys' fees, expenses, and costs incurred in this action;
- e. declare Defendants' infringement to be willful and treble the damages, including attorneys' fees, expenses, and costs incurred in this action and an increase in the damage award pursuant to 35 U.S.C. § 284;
- f. a decree addressing future infringement that either (i) awards a permanent injunction enjoining Defendants and its agents, servants, employees, affiliates, divisions, and subsidiaries, and those in association with Defendants from infringing the claims of the Patents-in-Suit, or (ii) awards damages for future infringement in lieu of an injunction in an amount consistent with the fact that for future infringement the Defendants will be an adjudicated infringer of a valid patent, and trebles that amount in view of the fact that the future infringement will be willful as a matter of law; and
- g. award Sofia such other and further relief as this Court deems just and proper.

Respectfully submitted,

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